

Principal China Direct Opportunities Fund (formerly known as CIMB-Principal China Direct Opportunities Fund)-Class USD

31 May 2021

Fund Objective

The Fund seeks opportunities through investments primarily in China A-Shares with the aim to provide capital appreciation. The Fund is established with a multi-class structure and is allowed to establish new Class(es) from time to time.

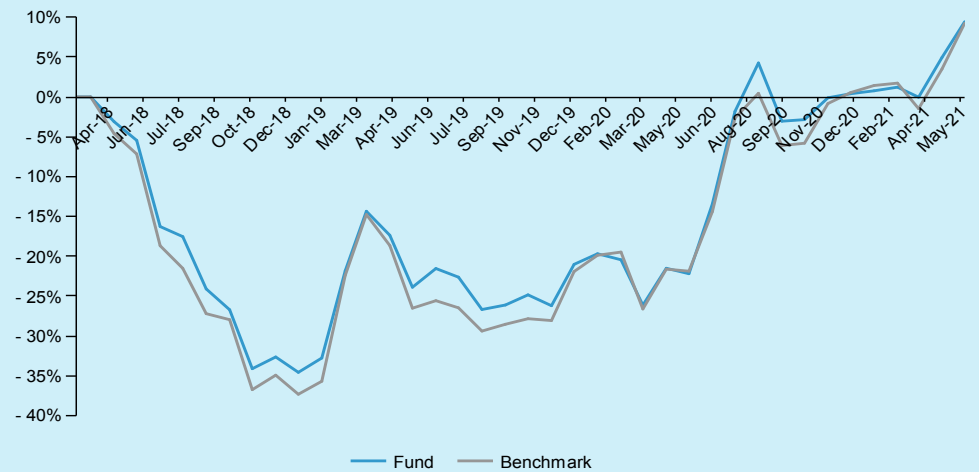
Currency: USD ISIN Code: MYU1002GF009

Bloomberg Ticker: CPCDUSD MK

Fund Information

Domicile	Malaysia
Base Currency	RMB
Fund Inception	8 March 2018
Benchmark	CSI500 Index
Application Fee	Up to 5.50% of the NAV per unit
Management Fee	Up to 1.80% per annum of the NAV of the Class
Trustee Fee	Up to 0.06% per annum of the NAV of the Fund
Switching Fee	USD35
Fund Size (USD)	USD 4.04 million
NAV per unit (As at 31 May 2021)	USD 1.0944
Distribution Frequency	Ad-hoc basis
Trustee	HSBC (Malaysia) Trustee Berhad

Fund Performance



Past performance does not guarantee future results. Asset allocation and diversification do not ensure a profit or protect against a loss.

Cumulative Performance (%)

	YTD	1 Month	3 Months	6 Months	1-Year	3-Year	5-Year	Since Inception
Fund	9.00	4.28	8.11	9.56	40.63	15.75	N/A	9.44
Benchmark/Target Return	8.66	5.56	7.38	10.16	39.83	17.68	N/A	9.25

Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015
Fund	27.10	20.71	N/A	N/A	N/A	N/A
Benchmark	28.74	24.57	N/A	N/A	N/A	N/A

Note: March 2018 to May 2021.

Performance data represents the combined income & capital return as a result of holding units in the fund for the specified length of time, based on bid to bid prices. Earnings are assumed to be reinvested.

Source : Lipper

Top 10 Holdings

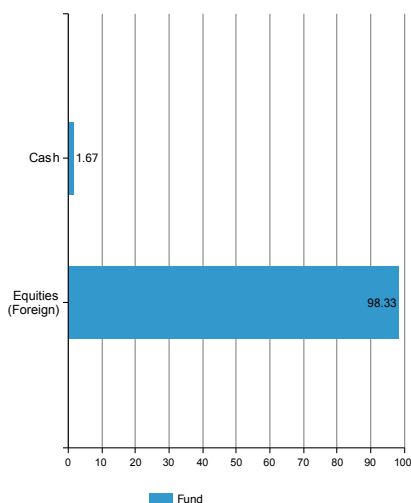
	Country	% of net assets
Shandong Hualu Hengsheng Chemi	China	1.13
Beijing North Star Co Ltd	China	1.13
Sinopec Shanghai Petrochemical	China	1.08
Zhejiang Semir Garment Co Ltd	China	1.07
BBMG Corp	China	1.05
Accelink Technologies Co Ltd	China	0.99
Zhejiang Jingsheng Mechanical	China	0.96
Sichuan Expressway Co Ltd	China	0.91
Industrial Bank Co Ltd	China	0.90
Nanjing Iron & Steel Co Ltd	China	0.90

The holdings listed do not constitute a recommendation to purchase or sell a particular security. Cash and/or derivative positions that are not part of the core investment strategy will not be reflected in the top holdings list.

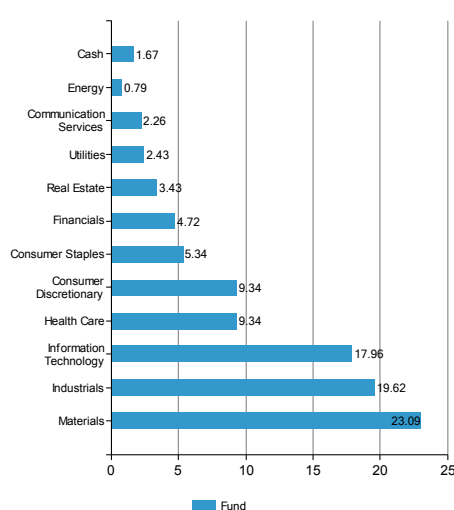
Fund Risk Statistics

Beta	0.89
Information Ratio	-0.19
Sharpe Ratio	0.14
3 years monthly data	

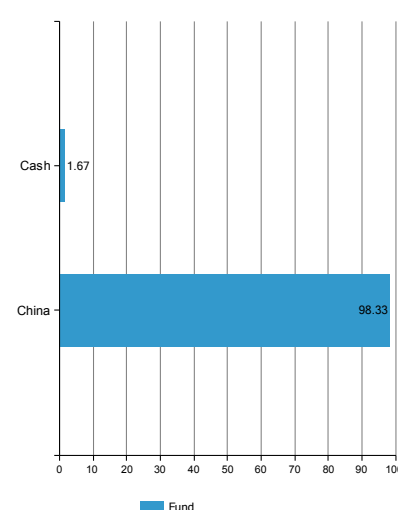
Asset Allocation (%)



Sector Allocation (%)



Regional Allocation (%)



Source: Factset. Fund holdings and allocations shown are unaudited and may not be representative of current or future investments. Percentages may not add up to 100% due to rounding and/or inclusion or exclusion of cash will not be reflected in the top holdings list.

Fund Manager's Report

The Fund rose by 4.28% in May 2021, however still underperforming the Benchmark by 1.28ppt. YTD, the fund rose by 9.00%, outperforming the benchmark by 0.34ppt.

In May, the A-share market continued to rise upwards, especially for Growth Enterprise Market and SSE STAR Market. CSI 300 and CSI 500 grew by 4.06% and 3.75% respectively, while ChiNext and SSE STAR 50 rose higher by 7.04% and 9.11% respectively. It shows that high-tech stocks were more attractive during the month.

Under the sharp increase in market expectations and the decline in valuation, the current overall price-performance ratio of A-shares is relatively high. Along with the lower volatility in commodity, it is conducive for funds to go back to stock market.

At the same time, there is no doubt of structural investment opportunities in the market. The core targets of market funds are still focused on consumption and technology. Related sectors are expected to fluctuate upward.

We recommend that you read and understand the contents of Prospectus Issue No. 2 for Principal China Direct Opportunities Fund (formerly known as CIMB-Principal China Direct Opportunities Fund) dated 16 January 2020, which have been deposited with Securities Commission Malaysia before investing and that you keep the said Information Memorandum for your record. Any issue of units to which the Information Memorandum relates will only be made upon receipt of the completed application form referred to in and accompanying the Information Memorandum, subject to the terms and conditions therein. The principal risks are returns not guaranteed, general market environment risk, manager's risk, inflation risk and loan financing risk. The specific risks of the Target Fund are stock specific risk, country risk, credit and default risk, liquidity risk, currency risk and RQFII regime risk. You can obtain a copy of the Prospectus from the head office of Principal Asset Management Berhad or from any of our approved distributors. We suggest that you consider these fees and charges carefully prior to making an investment. Unit prices and income distributions, if any, may fall or rise. Past performance is not reflective of future performance and income distributions are not guaranteed. Product Highlight Sheet ("PHS") is available and that investors have the right to request for a PHS; and the PHS and any other product disclosure document should be read and understood before making any investment decision. There are fees and charges involved in investing in the funds. We suggest that you consider these fees and charges carefully prior to making an investment. Unit prices and income distributions, if any, may fall or rise. Past performance is not reflective of future performance and income distributions are not guaranteed. You are also advised to read and understand the contents of the Financing for Investment in Unit Trust Risk Disclosure Statement/Unit Trust Loan Financing Risk Disclosure Statement before deciding to borrow to purchase units. All performance figures have been extracted from Lipper. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV; and where a unit split is declared, the value of your investment will remain unchanged after the distribution of the additional units.

Carefully consider a fund's objective, risks, charges and expenses. Visit www.principal.com.my for a prospectus containing this and other information. Please read it carefully before investing.